

February 24, 1998
BRC-SMS-128
Delivered Via Messenger

Mr. Dan Eget
DANAT INVESTMENT COMPANY
10866 Wilshire Blvd., Suite 850
Los Angeles, California 90024



RE: Site Improvements

Dear Dan:

This letter shall serve to confirm the agreement by and between DANAT Investment Company ("DANAT") and Boeing Realty Corporation ("BRC") concerning certain site improvements and related items which shall be undertaken by DANAT and BRC in connection with BRC's purchase of DANAT's right, title and interest in a certain railroad easement across BRC's property pursuant to those Recording Instructions, Conveyance of Railroad Easement, dated February 20, 1998, addressed to Chicago Title Insurance Company.

1. BRC, at its expense, shall construct an eight (8) foot high landscaped screen fence which shall abut DANAT's existing chain link perimeter security fence (or replace said security fence) in accordance with the attached Site Plans. The landscaped screen fence shall be similar in quality and design to the landscaped screen fence that will be located on the eastern boundary of the Fremont Development (Sunshine Distribution) property.
2. In order to further screen the outdoor work area adjacent to the large overhead doors on the south side of the Capitol Metals property, BRC will, at its expense, increase the nominal height of the landscaped screen fence to ten (10) feet (to the extent permitted by Los Angeles City Building or Landscaping Codes) for approximately 450 lineal feet commencing approximately one hundred eighty (180) feet from the southeast corner of the Capitol Metals property as depicted in the Site Plans.
3. BRC, at its expense, shall remove the existing rails, ties, and switches in the pathway of the screen fence. Pursuant to the Site Plans, BRC will repair the Capitol Metals east truck yard (to match adjacent concrete pavement) in those instances where rails, ties, and like items are removed by BRC.
4. BRC will (i) provide water for irrigation of the landscaping described in the Site Plans, (ii) power for the time clocks, (iii) maintain the landscaped screen fence (along Francisco Street, south side of the Capitol Metal property) in accordance with City of Los Angeles streetscape standards, and (iv) maintain the landscaped screen fence which abuts the eastern property line of the Capitol Metals site in a manner consistent with landscaped screen fence along the eastern property line of the Fremont Development (Sunshine Distribution) property. DANAT and its successors in interest will provide reasonable access to its property to permit installation and continuing maintenance of the landscaped screen fence.
5. BRC shall exercise all reasonable efforts to complete rail spur removal within thirty (30) days and all east truck yard improvements within sixty (60) days from the date of execution of this letter agreement. BRC shall complete the construction of the landscaped screen fence in conjunction with infrastructure improvements to its property, but in no event more than eighteen (18) months from the date of execution of this letter agreement.

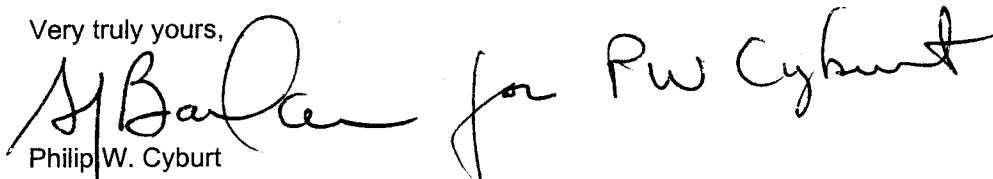
BOEING

6. BRC shall convey to DANAT by Quitclaim Deed title to 7162.35 S. F., shown in the Site Plans and the attached Exhibits "A" and "B". DANAT acknowledges that BRC must first obtain approval from the City of Los Angeles of a lot line adjustment to Quitclaim Deed the 7162.35 S. F., and that such process may require one hundred and twenty (120) or more days from the date of execution of this letter agreement to complete. BRC shall use all reasonable efforts to complete the lot line adjustment or like process within the one hundred and twenty (120) day period.
7. Upon completion of all improvements constructed by BRC on DANAT's property pursuant to this section, DANAT shall accept all such improvements "AS-IS", "WHERE IS" and "WITH ALL FAULTS" based upon its own inspection and investigation of this construction.
8. DANAT or its successors and assigns will convey to BRC by Quitclaim Deed existing sewer and electrical easements located along the western portion of BRC's property if and when new connections for such services are made available by BRC to DANAT or its successors and assigns.

In addition, the parties shall execute other reasonable documentation, as the parties may agree, in furtherance of this letter agreement. DANAT and BRC further agree that in the event the Quitclaim Deed described in the Recording Instructions, Conveyance to Railroad Easement, dated February 20, 1998, is not recorded for any reason whatsoever, then this letter agreement shall be terminated and the parties shall have no rights and obligations hereunder.

Please direct your comments or questions concerning this matter to the undersigned at (562) 627-3059 or Mario Stavale at (562) 627-3014.

Very truly yours,


Philip W. Cyburt
Vice President

AGREED AND ACCEPTED:

DANAT Investment Company

By: 
Daniel Eget

Date: 2-24-98

Attachments: Exhibit A
Exhibit B
Site Plans (2 pages)

cc: Malcomb Harris, Esq.
Dale Neal, Esq.
Tom Overturf
Mario Stavale

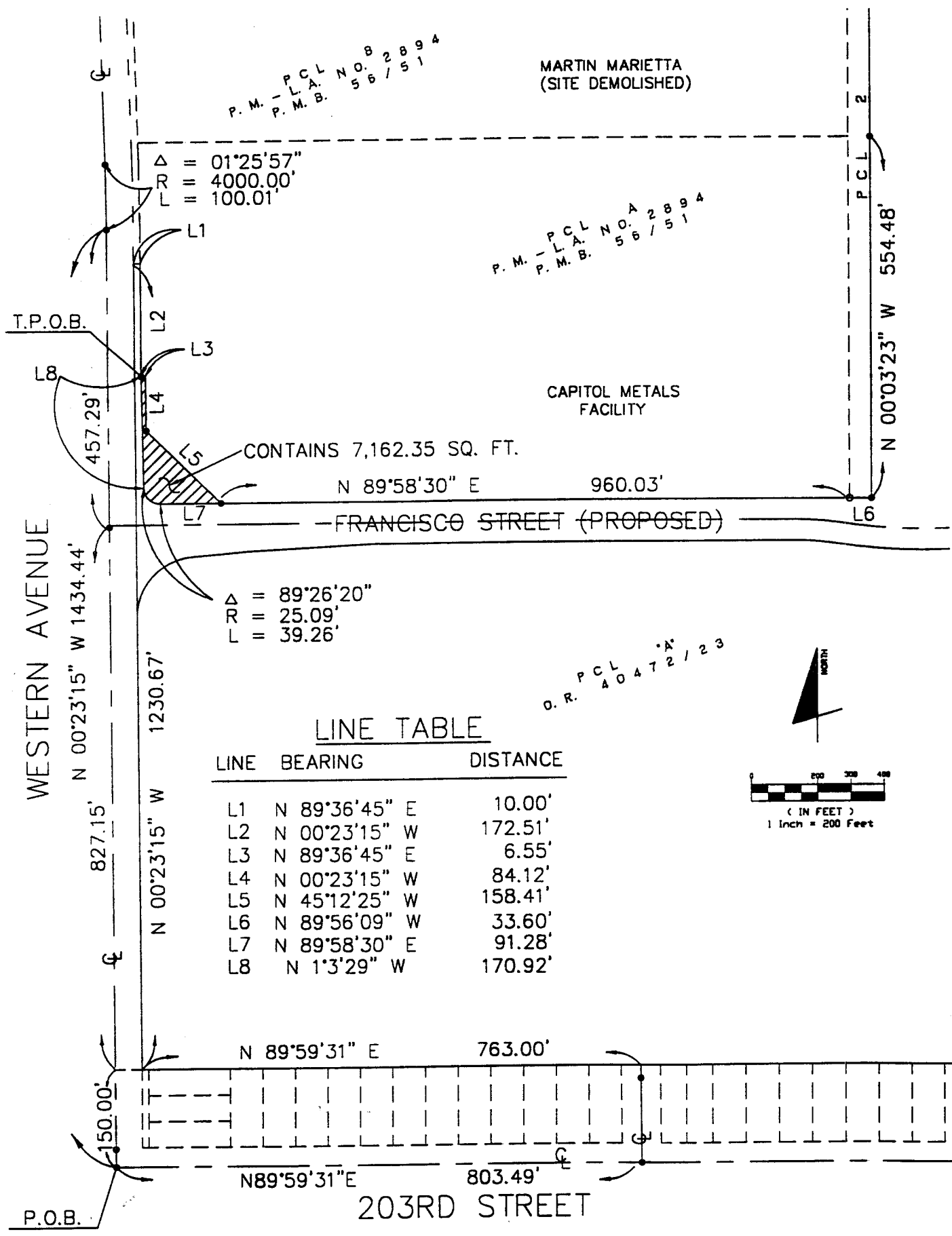
Exhibit "A"

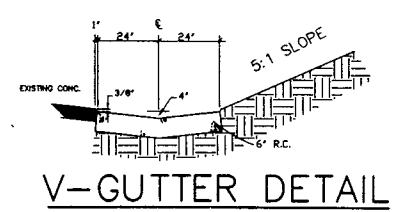
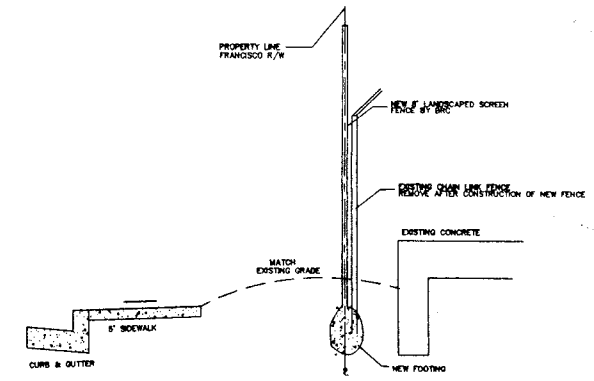
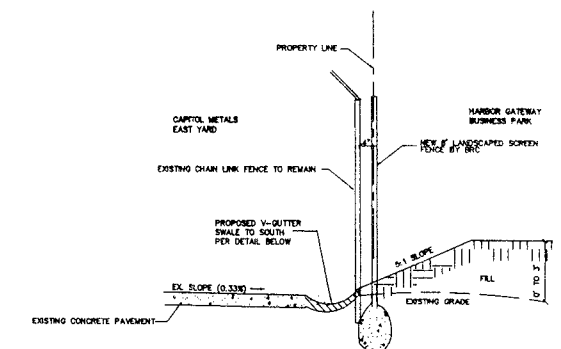
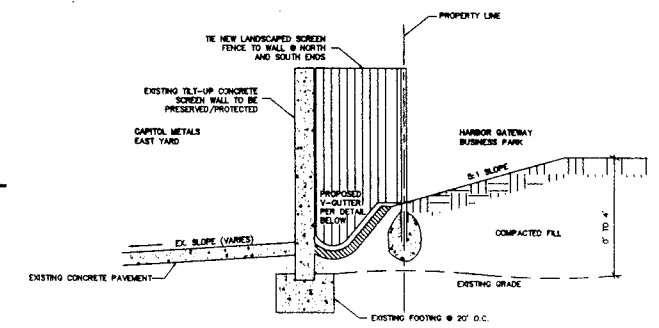
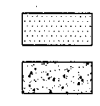
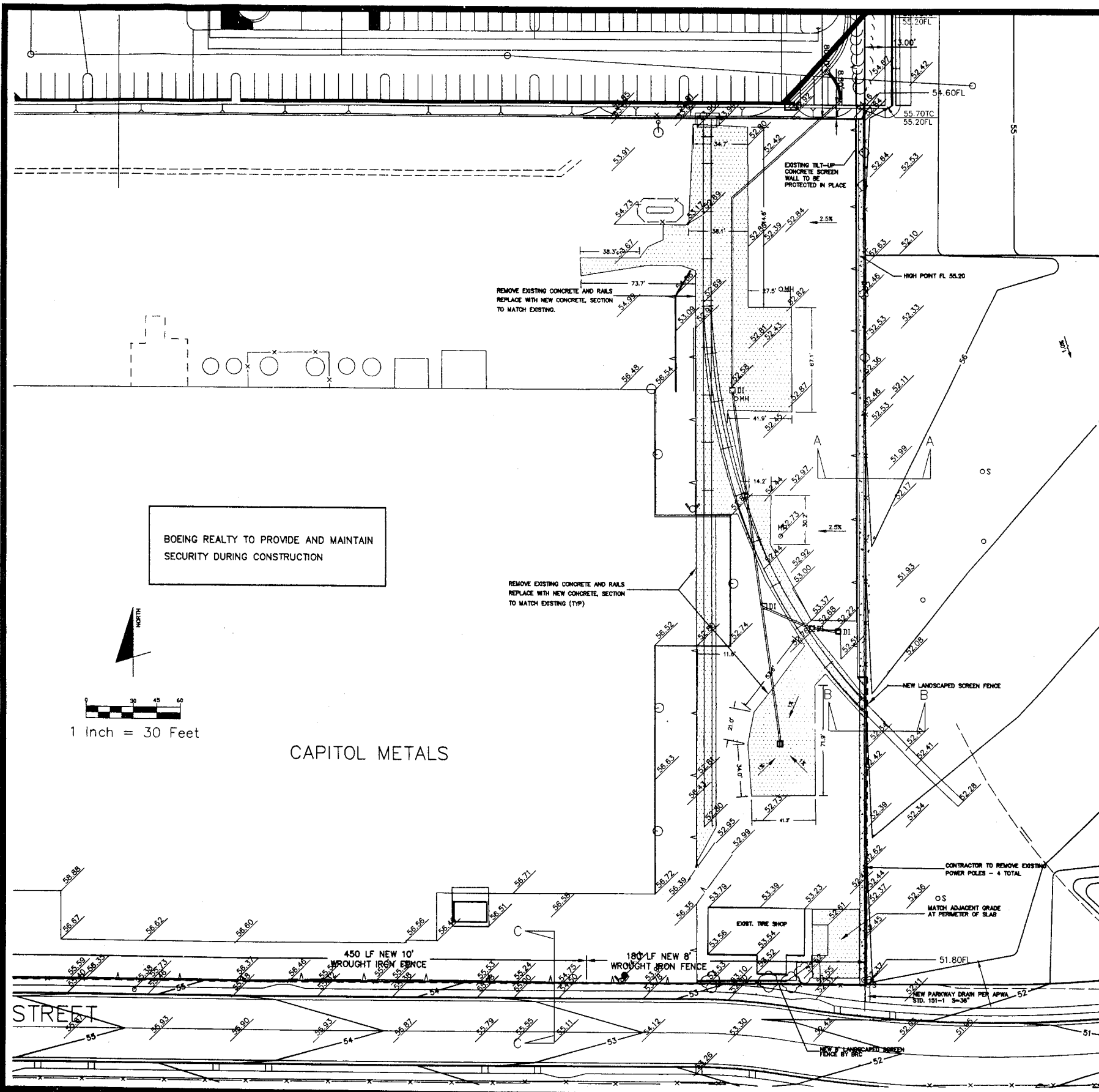
LEGAL DESCRIPTION

THAT PORTION OF RANCHO SAN PEDRO, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

COMMENCING AT THE CENTERLINE INTERSECTION OF 203RD STREET AND WESTERN AVENUE AS SHOWN ON PARCEL MAP 22909, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 245 PAGES 39, ET SEQ., OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID LOS ANGELES COUNTY; THENCE NORTH 0°23'15" WEST 150.00 FEET ALONG THE CENTERLINE OF WESTERN AVENUE, 80 FEET WIDE, AS SHOWN ON RIGHT-OF-WAY, FILED IN BOOK 52 PAGE 47 OF RECORD OF SURVEYS OF SAID LOS ANGELES COUNTY;; THENCE NORTH 89°59'31" EAST 40.00 FEET TO THE EASTERLY LINE OF SAID WESTERN AVENUE; THENCE NORTH 0°23'15" WEST 1230.67 FEET ALONG SAID EASTERLY LINE OF WESTERN AVENUE TO THE SOUTHWESTERN TERMINUS OF THAT CERTAIN COURSE DESCRIBED IN PARCEL NO. 1 OF THE QUITCLAIM DEED OF HARVEY ALUMINUM, INC. RECORDED IN BOOK D-586 PAGE 796, OFFICIAL RECORDS OF SAID LOS ANGELES COUNTY, HAVING A BEARING OF SOUTH 89°36'45" WEST AND A DISTANCE OF 10.00 FEET; THENCE NORTH 89°36'45" EAST 10.00 FEET; THENCE CONTINUING ALONG THE LINE DESCRIBED IN PARCEL NO. 1 OF SAID DEED, RECORDED IN BOOK D-586 PAGE 796 OF SAID OFFICIAL RECORDS SOUTH 00°23'15" EAST 172.51 FEET TO THE **TRUE POINT OF BEGINNING**; THENCE NORTH 89°36'45" EAST 6.55 FEET; THENCE SOUTH 00°23'15" EAST 84.12 FEET; THENCE SOUTH 45°12'25" EAST 158.41 FEET; THENCE NORTH 89°58'30" EAST 91.28 FEET; THENCE TO THE BEGINNING OF A TANGENT CURVE CONCAVE NORTHEASTERLY, HAVING A RADIUS OF 25.09 FEET; THENCE NORTHEASTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 89°26'20". A DISTANCE OF 39.26 FEET; THENCE LEAVING SAID TANGENT CURVE, NORTH 1°03'29" WEST 170.92 FEET TO THE **TRUE POINT OF BEGINNING**.

CONTAINS 7,162.35 SQUARE FEET





TAT & ASSOCIATES INC. 1100 TOWN & COUNTRY, SUITE 200 P.O. Box 4429 Orange, California 92668 (714) 560-8200 (714) 560-8211 FAX Phoenix, AZ		NO. DESCRIPTION REVISIONS BY DATE
BOEING REALTY CO. 4050 LAKEWOOD BLVD., 6TH FLOOR LONG BEACH, CA 90808-1700 HARBOR GATEWAY LOS ANGELES, CALIFORNIA		TITLE: PROJECT: DRAWN: DATE: 2/16/98 CVD: P.D.C. SCALE: DATE: JOB NO:
SITE PLAN CAPITOL METALS		1 OF 1